

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Equal Employment and Civil Rights Component Budget Summary**

## Component: Equal Employment and Civil Rights

### Contribution to Department's Mission

Enhance the operations of the department through the promotion, monitoring and support of Title VI Programs such as the External Equal Employment Opportunity (ExEEO) Program, the Disadvantaged Business Enterprises (DBE) Program, and the On-The-Job Training (OJT) Program in the transportation construction industry.

### Core Services

This component is responsible for the following programs that have been developed and implemented in accordance with specific federal regulations:

- Three affirmative action programs (DBE, ExEEO, and OJT) that provide opportunities which otherwise would not normally exist within the construction arena. These programs apply to contractors and subcontractors working on US Department of Transportation (USDOT)-assisted projects.
- Two non-discrimination programs (Title VI of the Civil Rights Act of 1964 [Title VI] & Americans with Disabilities Act of 1990 [ADA]), which ensure equal treatment by the department with respect to its dealings with the public in all phases of operation.
- Two support services programs that provide assistance to contractors and the public in understanding and participating in the DBE and OJT Programs.
- A contract compliance program that monitors, enforces contractor compliance, and assists with construction related affirmative action programs.

### FY2008 Resources Allocated to Achieve Results

**FY2008 Component Budget: \$988,600**

**Personnel:**

Full time	10
Part time	1
<b>Total</b>	<b>11</b>

### Key Component Challenges

Work continues with the Department of Labor to encourage local hire when viable and appropriate. The Governor issued Administrative Order 226 in an effort to increase the number of people trained to work heavy equipment, which partially meets the goal of encouraging local hire. Additional policies and procedures will be needed to better address local hire on USDOT-assisted construction in rural communities. One of the unique challenges facing rural residents is the lack of a driver's license (because there is no local DMV) which inhibits that person's ability to obtain additional trade certification for at least a year. Another challenge in encouraging local hire is bridging the cultural divide between the construction/contracting culture and the rural subsistence culture. The department continues to work with the Denali Commission staff to ensure that there is no duplication of efforts so we can build on the efforts of each other. At the same time, training and employment opportunities in rural areas are being identified that may provide multiple benefits such as heavy equipment training that can be used for road/airport construction as well as water and sewer, tank farm development and landfill development.

The review of the office mission and measures of the On-the-Job (OJT) training shows that despite the implementation of the Governor's Administrative Order 226 and increasing the goals for OJT apprentices/trainees, actual accomplishment has progressively declined from 51 apprentices/trainees in 2003 to 20 for 2006. We are in the process of reviewing the methodologies used by each region to determine when apprentice/trainee goals are set on projects to ensure they are consistent with Federal Highway Administration (FHWA) regulations and are consistently applied from region to region.

Given that the retirement from the construction industry is occurring at a record rate, the decline in apprentice/trainee accomplishment is troubling and does not bode well for a trained Alaskan construction workforce.

The DBE program continues to generate increased activity in the area of administrative appeals and reconsideration of construction bids to ensure DBE firms are given an equal opportunity for work on these projects. This activity requires adequate financial resources to competently administer. Due to recent legal challenges in Washington state against WSDOT's DBE program implementation and the resulting US 9<sup>th</sup> Circuit Court decision (Western States Paving Decision) the department will undertake a disparity study to determine the level and extent that discrimination exists in the design and construction of federal assisted highways, airports and transit facilities. The department was given guidance by USDOT to discontinue DBE Project goals and implement a race neutral DBE program until a disparity study is completed. This study is anticipated to be complete by this time next year. The department will use the study to determine if a race neutral DBE program continues to be the method of implementing the DBE program.

New regulations for airport concessionaires were issued in FFY2005 and additional departmental efforts will be needed to implement these regulations. Implementation is anticipated to be complete at the end of FFY2008.

The Civil Rights Office must ensure there is no disruption in service during the construction season as a result of meeting federal DBE requirements. Some changes in federal regulations have occurred that will result in increased reporting requirements. Those changes include maintenance of a bidder's list, reporting actual payments made by contractors to DBE firms, operation of the Unified Certification Program in cooperation with other Alaska recipients of USDOT assistance, additional review of complex financial statements and the need for increased legal assistance.

Continuing revision of the department's Title VI Program is required to comply with Federal Highway Administration current orders and guidance.

### **Significant Changes in Results to be Delivered in FY2008**

A significant revision of the DBE Program to occur in FY 2008 based on the results of the department procured disparity study. We will continue to implement changes to our DBE support services program to improve DBE access to DOT&PF contracting opportunities

A rigorous review of the OJT goal setting program, evaluation of how projects are selected for apprentice/trainee opportunities to determine if the process is consistent from one region to the next as well as if it is consistent with 23 CFR 230.111. We will propose modifications to FHWA for the OJT program if we determine that we are not uniformly implementing this program, consistent with federal regulations.

It is also anticipated that the Federal Transit Administration (FTA) may award a grant to the department to implement a Limited English Proficiency (LEP) demonstration project that will require significant revision of department's public outreach effort related to populations that have at 5% of the persons living in a project scoping areas that have limited English language skills.

### **Major Component Accomplishments in 2006**

- Facilitated the implementation of 13 post award conferences where local employment and training issues were discussed;
- Fully implemented the Civil Rights Office newsletter and the Annual Unified Certification Program meeting. This fulfills our DBE supportive service obligations under our FHWA funding agreement. The annual meeting resulted in a cooperative effort to hold annual DBE goal meetings jointly, collectively reducing costs.
- Held three public meetings and revised DBE program, DBE Support Services program and DBE Annual Goals in response to the Western States Paving Decision and guidance from the USDOT General Counsel.
- Completed the first of regular departmental reviews under Title VI of the Civil Rights Act of 1964. The Environmental sections of all three regions were reviewed for compliance and recommendations made for improving department outreach efforts.

## Statutory and Regulatory Authority

49 CFR, Parts 21, 23 & 26

41 CFR, Part 60

23 CFR, Parts 200 & 230

29 CFR, Part 16.30

28 CFR, Part 35

Section 504 of the Rehabilitation Act of 1973

Title VI of the Civil Rights Act of 1964

Civil Rights Restoration Act of 1987

Americans with Disabilities Act of 1990

Executive Orders

11246 - Equal Employment Opportunity

12898 - Environmental Justice

13166 - Limited English Proficiency

13175 - Tribal Consultation

DOT Order 5301.1 - Department of Transportation Programs, Policies, and Procedures Affecting American Indians, Alaska Natives, and Tribes

FHWA Order 6640.23 - FHWA Actions to Address Environmental Justice in Minority Populations and Low-Income Populations

## Contact Information

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### Equal Employment and Civil Rights Component Financial Summary

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	743.9	813.2	924.6
72000 Travel	14.9	26.6	26.6
73000 Services	31.6	20.9	20.9
74000 Commodities	23.8	16.5	16.5
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>814.2</b>	<b>877.2</b>	<b>988.6</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	235.1	251.1	337.4
1007 Inter-Agency Receipts	14.1	16.9	18.7
1061 Capital Improvement Project Receipts	565.0	609.2	632.5
<b>Funding Totals</b>	<b>814.2</b>	<b>877.2</b>	<b>988.6</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Interagency Receipts	51015	14.1	16.9	18.7
Capital Improvement Project Receipts	51200	565.0	609.2	632.5
<b>Restricted Total</b>		<b>579.1</b>	<b>626.1</b>	<b>651.2</b>
<b>Total Estimated Revenues</b>		<b>579.1</b>	<b>626.1</b>	<b>651.2</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>251.1</b>	<b>0.0</b>	<b>626.1</b>	<b>877.2</b>
<b>Adjustments which will continue current level of service:</b>				
-Fund Source Adjustment for Retirement Systems Increases	52.5	0.0	-52.5	0.0
<b>Proposed budget increases:</b>				
-FY 08 Retirement Systems Rate Increases	33.8	0.0	77.6	111.4
<b>FY2008 Governor</b>	<b>337.4</b>	<b>0.0</b>	<b>651.2</b>	<b>988.6</b>

### Equal Employment and Civil Rights Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	10	10	Annual Salaries	526,083
Part-time	1	1	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	418,735
			<i>Less 2.14% Vacancy Factor</i>	(20,218)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>11</b>	<b>11</b>	<b>Total Personal Services</b>	<b>924,600</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Equal Employ Officer II	4	0	0	0	4
Equal Employ Officer III	3	0	0	0	3
Statistical Technician II	1	0	0	0	1
Trans Planner II	1	0	0	0	1
<b>Totals</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>